



# **Comprehensive Housing Policy**

**Adopted April, 2006**

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# **Wichita Comprehensive Housing Policy**

## **Mission**

**... to provide housing and related services  
to benefit the citizens and neighborhoods of Wichita**

## **Vision**

The City of Wichita and its housing partners envision that players in the housing environment in Wichita will:



Provide safe, affordable housing and basic shelter for all people



Eliminate blight in neighborhoods



Develop housing in established neighborhoods (in-fill)



Use a coordinated approach to housing that is balanced between enhancing established neighborhoods and creating new developments



Involve collaboration between city, county, state and federal government, as well as for-profit businesses and nonprofit agencies



Promote the availability of housing services and programs in Wichita

# COMPREHENSIVE HOUSING POLICY – CITY OF WICHITA

## EXECUTIVE SUMMARY

January, 2006

The City of Wichita Housing Advisory Board has developed a comprehensive housing policy to guide current and future housing–related decisions made by officials in City government. However, the policy document also recognizes the importance of community partnerships in developing and strengthening this important community building block – housing and related services.

In this policy document, the Board encourages the reader to consider housing in the context of the greater community. After all, having access to safe, affordable, and quality housing is essential for our community’s residents to be able to contribute to and participate in, all that this community has to offer.

Housing choice is an important principle of this document. While many in the housing community prioritize homeownership, the Board and this policy recognize that ownership is not appropriate for or of interest to all residents. However, the Board affirms the importance of being intentional in ensuring that there is a balance of housing choices for persons choosing to live in Wichita. It is important that housing options within the Redevelopment Incentives Area, be strengthened to offer an alternative balance to housing which is being developed outside this area. Additionally, neighborhoods should be created and supported to encourage diversity of residents and to offer a variety of services and amenities.

This document is divided into five policy sections, with an introductory review of the current status of housing and resources, and a brief needs assessment. Each policy section was created by teams who reviewed and analyzed all available data, and reached conclusions as to barriers to effective housing development and strategies necessary to address them. The Housing Advisory Board evaluated all sections and endorsed the strategies which have been prioritized and appear at the end of each section. Following are highlights of the policy discussions in the Comprehensive Housing Policy.

**Housing Affordability** looks at affordability from all perspectives. It begins with the premise that “the ability to select the location and type of housing a household can ‘afford’ is based upon household income and the supply/cost of housing.” It then examines issues related to housing that is affordable to buy and build. Strategies include the use of financial as well as legislative tools.

**Housing Availability** looks closely at the housing needs of special population groups. While these needs often overlap with the affordability principles, there are additional issues to consider including location, special physical accommodations, and availability of supportive services. The special groups addressed in this section include ex-offenders, the homeless, persons with mental or physical disabilities, as well as the needs of youth and seniors.

The **Neighborhood Stability** section considers an underlying principle related to housing – and that is the neighborhood in which housing exists. A housing policy would be incomplete without considering the condition of neighborhoods – whether or not there are blighted properties, paved streets and sidewalks, and proximity to schools and shopping, etc. Crime and code violations are additional neighborhood considerations which are addressed in this section.

The creation of housing and improvements to neighborhoods require resources. The **Leveraging Resources** section is based upon the premise (as its title suggests), that there is no single financing structure that will achieve all of the goals of the policy document. In this section, single and multi-family housing initiatives are examined and current and new resources are explored and recommended.

The final section addresses the issue of **Quality** – of housing and neighborhoods. Here the theme relates to housing which is desirable, functional, safe and energy efficient. These principles are important considerations for future homebuyers or renters, when they make choices as to where to live. It also introduces the concept of community planning as an important tool in creating an environment where people will want to live. Strategies include infrastructure improvements as well as community involvement to ensure long lasting commitments to high quality housing in high quality neighborhoods – regardless of the physical location.

The prioritized strategies for each section have been collapsed into a final chart which concludes the policy document. It is important as the City government of Wichita moves forward with adoption of a “Managing for Results” organizational philosophy, and as the Wichita Metropolitan Statistical Area prepares to meet the short and long term challenges of implementing Visioneering Wichita’s community vision – that this housing policy document have a seat at the table. Housing is a basic human need and right – and beyond the human implications, it is a tremendous community economic engine.

Special acknowledgment is made to the members of the Housing Advisory Board who worked tirelessly to develop this document. Thanks also are extended to the Housing and Community Services Department staff, and members of all teams whose research and expertise provided the foundation for this policy document.

Sincerely,

Tony Rangel, Chair  
Housing Advisory Board

# Wichita Comprehensive Housing Policy

## Current (2005) Conditions

### HOUSING INVENTORY

The following is a review of the city of Wichita's housing characteristics. Information sources are the 2000 Census, 2004/2008 City of Wichita Consolidated Plan, City of Wichita's Office of Central Inspection, City of Wichita Planning Department and Wichita State University Real Estate Center. Data was compiled in August, 2005.

WICHITA HOUSING INVENTORY						
		1970	1980	1990	2000	
Total Housing Units		99,920	116,649	135,069	152,119	
Owner Occupied		57,254	65,907	72,667	85,711	
Renter Occupied		35,472	44,443	50,651	53,376	
Vacant		7,094	6,299	11,886	13,032	

YEAR STRUCTURES WERE BUILT						
1939 & Earlier	1940 to 1959	1960 to 1969	1970 to 1979	1980 to 1989	1990 to 1998	1999 to 2004
18,266	51,878	16,165	21,767	20,955	18,714	10,302
MEDIAN YEAR BUILT					1964	

There are 152,119 housing units in the City of Wichita of which 56.76% are more than 35 years in age. There are approximately 12,000 substandard rental units in Wichita. An additional 7,000 substandard owner-occupied homes, are estimated to be in the City. The exact number of these privately owned structures is not known.

Given the large number of older homes, it is not surprising that many have code violations. The Office of Central Inspection (OCI) has approximately 4,300 active housing cases throughout the city. Over 1,000 of these cases have been placarded for non-occupancy. The sections of the city with the greatest number of active substandard housing cases are areas where the majority of the structures were built prior to and during World War II, and where the largest populations of low to moderate income households are found.

OCI initiates approximately 1,500 new housing code cases on about 2,500 units annually. In 2003, OCI closed out 1,700 housing cases (over 2,800 units) and took 528 Minimum Housing Code cases to Neighborhood Court. In 2003, OCI staff performed approximately 25,000 inspections on minimum housing code and “neighborhood” zoning and environmental nuisance code cases and issued a total of 10,000 notices.

The Neighborhood Courts were implemented in 1995-1996. OCI currently takes about 500 minimum housing code cases to court annually, compared to about 60-80 cases annually in early 1990’s.

When a structure is vacant, not properly secured, and the owner has not responded to notices of violation, OCI will initiate the condemnation process. The condemnation process takes approximately one year from the time of the initial housing case is generated to the actual removal of the structure and leveling of the lot.

The type and condition of housing is tied closely to the demographics of Wichita’s population. The following chart provides such demographics taken from the 2000 Census.

<b>HOUSEHOLD BY TYPE</b>		
<b>Types</b>	<b>Number</b>	<b>Percent</b>
Total Households	139,087	100%
Family Households*	87,818	63.1%
Family Households with Children under 18 years	44,592	32.1%
Married-couple Family	65,817	47.3%
Married-couple with own children under 18 years	30,844	22.2%
Female Head of Household	16,166	11.6%
Female Head of Household with own children under 18 years	10,444	7.5%
Non-family Households	51,269	36.9%
Householder Living Alone.	43,408	31.2%
Householder 65 Years and Over	29,261	21.0%

\*According to U.S. Census Bureau, Family Households consist of two or more individuals who are related by birth, marriage, or adoption. Family household may also include other unrelated people.

The median age of Wichita residents increased from 28.9 years in 1990 to 33.4 years in 2000. From 1990 to 2000, the number of children (under the age of 18) increased by 0.6 % from 26.6 to 27.2 percent of the City’s population. Census figures show that the highest concentrations of households with children under 18 are located in the southeast and northwest fringes of Wichita. The area with the largest number of young children (less than five years of age) is the southeast portion of Wichita.

The number of residents 65 years or older increased from 12.4 % in 1990 to 22.9 % in 2000, which was higher than the national average of 12.4 %. The areas of the City with the greatest percentage of residents 65 or older are located two to three miles northwest and southeast of downtown Wichita.



## **DEVELOPMENT TRENDS**

The housing market in Wichita has favored new construction in outlying areas, for single-family residences and apartments. Most of the housing units built since 2000 are located in the outlying areas of the city and marketed to middle and upper income households. Developments have been primarily focused in the northeast and western edges of the city. These developments are providing an important infusion into the local economy and are taking place primarily as a result of market forces, as opposed to government incentives.

Private developers cite many reasons for not building in older sections of the city. The most commonly given reasons are:

- Difficulty and cost of assembling land from many owners
- Lack of a market for single-family housing in the inner city
- Negative perceptions about the Wichita School District
- Lack of flexibility in regulations & conditions to accommodate newer housing styles and/or historic restrictions
- Lack of sufficient incentives by government

Despite the perceived difficulties associated with development in older sections of Wichita, some developers are involved and see the potential in these older sections of the city. For instance, developers have converted vacant buildings in the Central Business District, into multi-family housing, both with and without government subsidies.

City recognized non-profit Community Housing Development Organizations (CHDOs) and for-profit developers have experienced success in developing new housing within the city's Neighborhood Revitalization Area (NRA). In some cases, existing blighted structures in these areas, are being demolished in order to accommodate new home construction.

Some of the advantages of central city housing development include:

- City services are already in place
- Amenities are easily accessible
- Government incentives are available
- The context of older city areas allows for unique and creative development.

## **STANDARDS THAT AFFECT HOUSING**

Housing that is developed or rehabbed in Wichita, must meet certain standards. Following is a list of general and program-specific housing standards.

- International Building Code (IBC)
- International Residential Code (IRC)
- American Disabilities Act (ADA)
- Wichita Existing Building Rehabilitation and Change of uses Code
- Zoning Code
- Uniform Plumbing Code
- National Electrical Code
- International Mechanical Code
- Wichita's Minimum Housing Code
- Housing Quality Standards (HQS)
- Lead-Based Paint Regulation (HUD, State & EPA)

## **NEEDS ASSESSMENT**

The following sections of the Comprehensive Housing Policy describe specific needs and strategies, however the population and development trends listed herein, suggest a need for housing policies which address an older population and an aging housing stock.

## **Wichita Comprehensive Housing Policy Affordability**

Definition. Affordable housing, whether rented or owned, is commonly defined as housing (including taxes, insurance, and utilities), which does not cost more than 30% of the gross income of a household. Housing affordability is largely a function of household incomes, housing costs, and the cost of borrowing money. It is also very localized (i.e. what is affordable in Wichita is unheard of in Chicago; affordability in Sunnyvale, CA is three times affordability levels in Wichita).

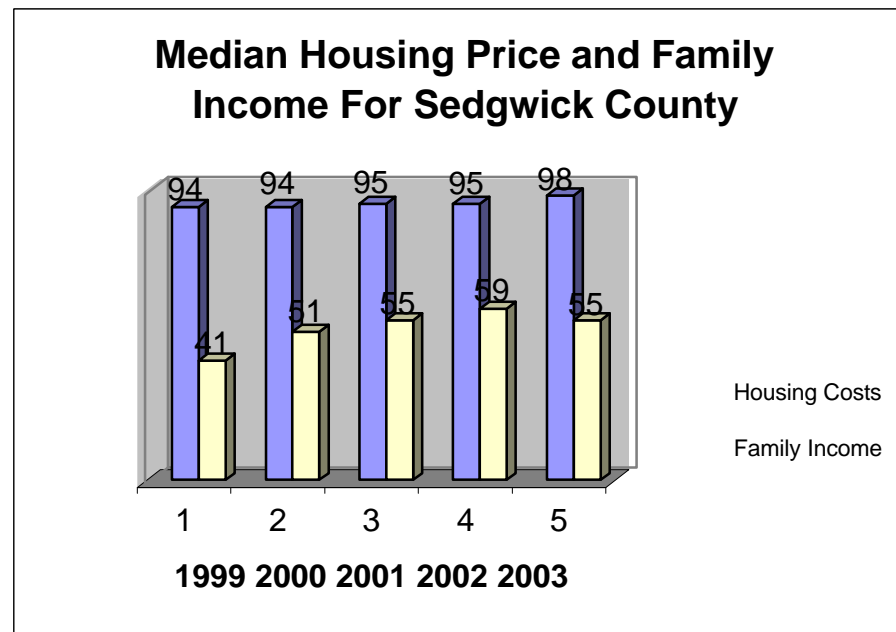
The relationship between affordability and household income drives public policy in many ways, based upon the (perhaps oversimplified) assumption of three categories of households: those who have the desire and income to purchase/rent housing at any cost, including high end housing; those who have insufficient income to purchase/rent safe, decent housing without public assistance; and persons in the middle who may need assistance but who generally do not qualify for typical housing assistance programs. It is those who have insufficient income to which most public policy is directed, and this report follows that trend to a large degree. However the housing affordability needs of the middle-income group merit discussion as well.

Goals. The fundamental goal is that every individual should have access to housing that is safe, sanitary, and affordable.

Current Status. Information included in the J.P. Weigand 15<sup>th</sup> annual real estate forecast and the 2004 Housing Market Forecast prepared by the Wichita State University (WSU) Center for Real Estate, indicates that home sales are strong in the Wichita market. While home prices have increased (primarily due to a strong new home construction/sale market), favorable interest rates served to maintain an affordability level realized by few cities in the country. In fact, a 2005 Forbes magazine report lists Wichita as the least expensive place to live in the United States. The report factored in primary and secondary home costs along with other criteria.

These favorable statistics for homeowners are not reflected in the rental market, however. According to 2003 Census estimates, rent payments consume more than 30% of the household income for 49% of renters in Wichita, while only 21% of owners pay more than 30% of their household income for their mortgages. The obvious conclusion may be that there is a need for increased affordable rental housing, however homeownership forecasts in the WSU report also identify trends which may impact homeownership affordability. New home prices have risen 4.09% from 2001-2004 and rising interest rates are also starting to impact the new home construction/sales market. This data suggests that more Wichitans may soon experience increased homeownership costs, which could lead to a less affordable homeownership market.

Despite the fact that many of our current residents face housing challenges related to the changing employment environment, all indicators continue to support the fact that housing affordability (current and projected) will most likely continue to be much more favorable than in other parts of the country. This asset can and should be an important economic development tool when negotiating with companies to move to or expand their operations in Wichita.



**Median Housing Price and Family Income  
for Sedgwick County**  
(in Thousands of Dollars)

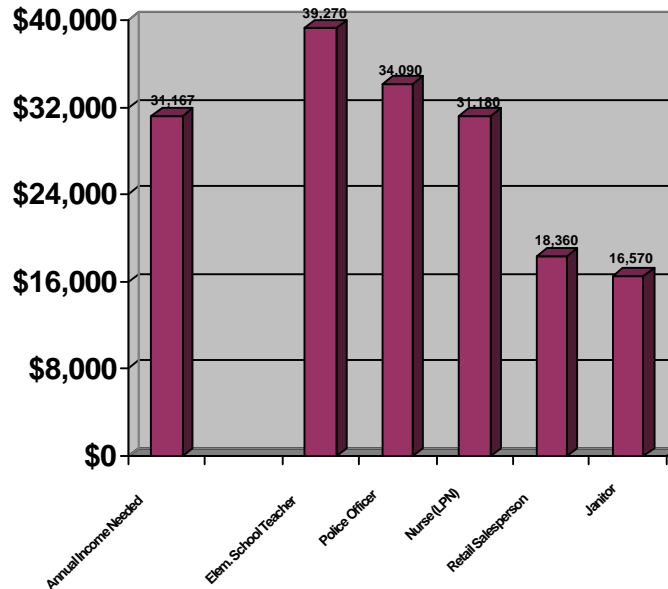
#### Affordable to Buy

The Federal Government defines housing affordability as housing costs that do not exceed 30 percent of household income. The Center for Housing Policy reports that housing costs are defined as rent or principal, interest, taxes & insurance combined (PITI). The median income for Sedgwick County is \$54,600 (U.S. Census). The Center for Housing Policy provided the following information based on a conventional loan policy used national wide.

Monthly median housing costs for a median income family is \$1,365 per month. To purchase a home at the 2003 Sedgwick County median price of \$98,350, the median income family would need a down payment of \$19,670 to purchase that home and still keep the mortgage payments "affordable" (30% or less of household income). Other factors which influence the purchase transaction including mortgage rate, term (length) of the loan, points, and closing costs. Change any of these factors and the down payment or monthly payments could go up or down. When points and closing costs are factored in, the total cash outlay at closing would be over \$25,000! By the government definition, this home may be affordable to own, but with this much up-front cash required, would it be affordable to purchase?

# Homeownership Market

2003 Median Priced Home: \$100,000



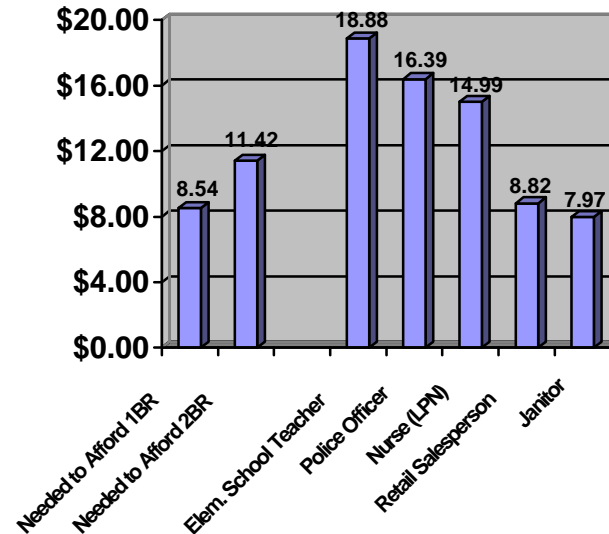
Data from the National Association of Realtors' report  
Wage date from the U.S. Bureau of Labor Statistics

## Affordable to Build

One major factor in affordability is the cost to produce housing. Builder groups often claim—and government statistics support these claims—that home building traditionally leads the nation out of recession. Home building benefits not only the trades but also manufacturing, professional services, and even transportation. But the demand for new housing can cause shortages in labor and materials. Delays due to weather or permit issues also add to costs and these costs get passed on to the buyer. Builders of new homes typically operate on fairly narrow net profit margins of five to ten percent, so even a small spike in costs can cut drastically into a builder's profit and increase housing costs to buyers.

# Rental Market

2003 Fair Market Rent: 1 BR \$444/month, 2BR \$594/month



An experienced builder can help the homebuyer keep costs down through careful design and material selection. This process is called "value-engineering", and it is in best interest of the buyer to find a builder who thoroughly understands it.

But while the building industry certainly benefits from innovations in materials and methods, the independent builder is generally not able to have much of an impact on overall housing affordability.

#### Bringing Housing Costs Down

One of the key ways to achieve affordability is to increase housing density. Land use regulations at the federal, state, and local levels can have a tremendous impact on housing affordability. Local zoning rules that permit five-acre plots for each single-family home also add pressure to land supply. There are certain fixed costs to developing any parcel of land including site planning and permits, roads, power, sewer, and water. All of these costs have to be included in the selling price of the housing that is built on the parcel. If zoning or other regulations limit the parcel to the construction of one house, all of those development costs will have to be borne by that single home, increasing the price. If zoning regulations allow a higher density of housing—more houses per parcel—the builder can spread the land development costs over all of the housing units, so that each house would actually cost less to build and buy.

There are also a number of non-profit organizations and programs that specifically address housing affordability, most of which take advantage of available government subsidies for construction and homebuyer assistance.

One relatively new Federal program, administered through Local Housing Authorities, allows eligible renters to use their Section 8 housing vouchers toward purchasing a home.

#### Community Attitudes Toward Affordable Housing

One of the biggest obstacles to affordable housing in suburban locations is the resistance of many homeowners to permitting multi-family or low-cost housing within their neighborhoods. Most homeowners have the perception that less costly housing in their neighborhoods might threaten their ability to maximize market appreciation and appraisal value of their homes. Since homes are the owners' major financial assets, they often pressure government to oppose regulatory changes which reduce housing prices, and allowing apartments or other lower-cost housing to be developed in their neighborhoods, assuming that persons of different socio-economic classes and/or ethnic backgrounds, will be 'bad' for the neighborhood.

#### Affordable Housing Education For Future Homeowners

Many would-be homeowners' dreams are dashed when years of overuse of credit, poor spending and saving habits, and overall poor money management skills result in being turned down for a mortgage. Even if those with sub-par credit histories find a lender willing to finance a mortgage, the rates will reflect the risk and can increase the likelihood of default and even the eventual loss of the home. In addition, poor personal financial literacy leaves people, especially low-income people, vulnerable to an ever-growing industry – consumer fraud.

Educational programs are available for families in need of credit counseling. One such program is the Freddie Mac CreditSmart program, which provides comprehensive credit education to assist individuals to build and maintain good credit which can lead to homeownership.

Educators and financial experts agree that while remedial personal financial education is helpful, the time to learn to be a responsible money manager is as a child. The earlier the student begins learning good spending and saving habits, the more likely he or she will be likely to develop good financial skills.

The 2003 Kansas Legislature enacted a law that required the Kansas State Board of Education to implement a set of learning standards for personal financial literacy for grades K-12. Subsequently in December 2004, the State Board of Education adopted a set of personal financial literacy standards for grades K-12 as part of the State's History, Government, Economics and Geography standards.

Supporters of economic and financial literacy in Kansas have been working since then to develop tools for teachers to use to help teach the next generation of Kansas students how to take care of themselves financially. A major thrust of this effort has been led by the Kansas Council on Economic Education (KCEE), a 501(c)(3) organization based at Wichita State University. In the Fall of 2005, the KCEE and its partners, the Office of the State Banking Commission, the Financial Fitness Foundation (founded by Jill Docking of Wichita), the Kansas Health Foundation, and a Wichita software developer, NexLearn LLC unveiled a comprehensive set of standards-based, interactive computer courseware lessons designed to assist K-8<sup>th</sup> grade teachers integrate instruction in personal finance and its underlying economic principles into the state's K-8 language arts and math curriculums. The courseware is provided free of charge to the 1,210 elementary and middle schools in Kansas.

The KCEE plans to spend three years teaching the State's K-8<sup>th</sup> grade teachers how to use the curriculum and promoting its use in the community. USD 259 has expressed a high level of interest in making the course a part of its curriculum and will begin teacher training in the 05-06 school year.

### **Team Members**

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## HOUSING AFFORDABILITY ACTION PLAN

Priority Ranking	Barriers	Strategies	Players
	Availability of current low cost housing inventory	Annually identify, locate and maintain inventory of existing low cost housing	Wichita State University Real Estate Center
		Identify areas where low cost housing is established	City/County Metropolitan Area Planning Dept.
<b>2</b>	Lack of sufficient low cost housing	Continue infill/new construction Continue boarded up building project	City Housing & Community Services Dept. Community Housing Development Organizations
		Update housing needs based on income and populations (annual)	City/County Metropolitan Area Planning Dept
		Provide incentives to developers for single family construction	City Housing & Community Services Dept. City Office of Economic Development
		Prioritize incentives for construction in designated areas	City Office of Economic Development
		Encourage and support local builders to use available incentives	Wichita Area Builders Association Community Housing Development Organizations Non-profit organizations
<b>4</b>	Increasing costs of housing materials	Research and develop alternative housing materials and methods	Wichita State University City Office of Central Inspection
		Research and develop alternative housing materials and methods	Kansas State University
		Research and develop alternative housing materials and methods	KOCH Industries
		Support Value-Engineering concepts in material selection and design, to keep costs down	Wichita Area Builders Association
		Relocate companies to Wichita that produce housing materials Increase the availability of housing materials produced in Wichita	Chamber of Commerce
	Zoning	Increase housing density	City Office of Central Inspection
	Building permit fees	Reduce or eliminate fees for low cost housing	City Office of Central Inspection



Priority Ranking	Barriers	Strategies	Players
1	Financing for low-income home buyers	Reduce the cost of financing for low cost housing Provide education to potential homebuyers Create and maintain list of lenders who offer low cost financing	City Housing & Community Services Dept. Non-profit agencies
		Develop Limited-Equity Cooperatives to provide low cost, high density, resident controlled housing Introduce this concept to private investors and nonprofits Pilot the concept in designated areas	City Redevelopment Authority City Housing & Community Services Dept. Private Investors Nonprofits Federal Government
		Provide comprehensive financial literacy training for homebuyers	Urban League of the MidPlains Non-profit organizations
		Provide education plans and courseware for education programs directed to K through 12 Educate young people on personal finance and credit issues	USD 259 Area school districts Kansas Council on Economic Education State Banking Commission Non-profit agencies
		Provide education to developers on Low Income Housing Tax Credit program Developers pass savings on to eligible home buyers	City Housing & Community Services Dept.
		Continue to allow Section 8 vouchers for home purchases	Wichita Housing Authority
		Develop a bonding program to raise funds for an expanded lenders pool Provide low interest rates and low costs for eligible home buyers	City Redevelopment Authority City Housing & Community Services Dept. Private lenders Non-profit lenders
		Continue to subsidize first time home buyers with down payment and closing costs	City Housing & Community Services Dept. Private lenders Non-profit organizations
		Close the affordability gap to lure workers to Wichita, and to live close to jobs Offer subsidies to essential workers (police, fire, nursing professionals, etc.)	City Housing & Community Services Dept. Federal government programs
		Provide post-purchase counseling	Urban League of the MidPlains Non-profit organizations

Priority Ranking	Barriers	Strategies	Players
<b>5</b>	Lack of legislation which would increase availability of affordable housing options	Create new affordable housing opportunities Research legislative means to increase affordable housing Create a Community Land Trust	City Redevelopment Authority
	Community attitudes toward mixed income neighborhoods	Change attitudes towards affordable housing through media campaigns Promote the message that affordable housing in suburban areas is acceptable and doesn't have to devalue property Review successful initiatives in other communities Partner with community groups to deliver these messages	City Housing & Community Services Dept. City Office of Economic Development Visioneering Wichita follow up teams District Advisory Boards (DABs) City Housing Advisory Board Wichita City Council Non-profit organizations Community Housing Development Organizations
<b>3</b>	Appraisal systems discourage mixed income areas	Research and make recommendations to determine appropriate mix for economic success	Wichita Area Association of Realtors Economic Development Council City Office of Economic Development
	Lack of incentives to create mixed income areas	Develop variety of incentives to encourage mixed income development	Wichita Area Builders Association Office of Economic Development
		Create incentives for homeowners to accept mixed income housing plans by offering reduced insurance rates for homes located near affordable housing	City Redevelopment Authority City Housing Advisory Board Wichita City Council Kansas Insurance Commissioner
	The best infrastructure supports are in fringe areas, which leads to economics being often cited for lack of development in the core	Create incentives to level the playing field with respect to infrastructure enhancements in the core	City Housing Advisory Board City Redevelopment Authority City Housing & Community Services Dept. City Office of Central Inspection Wichita City Council
	Lack of incentives to develop lower priced housing	Create incentives Create partnerships Promote successful programs Implement StopBlight initiatives to create affordable housing in blighted areas Continue HOME 80 program	City Housing & Community Services Dept. Sedgwick County

# Wichita Comprehensive Housing Policy

## Availability

Definition. Housing availability refers to housing which meets the diverse needs of all community members, accounting for mental and physical circumstances, income and household size. The following goals are based on four basic principles:

1. Create and maintain mixed income neighborhoods
2. Create supportive infrastructure in neighborhoods
3. Create a strong supply of housing that meets the needs of the diverse economic profile of our workforce
4. Increase housing availability and variety within the central city as opposed to the outer rings.

Goal(s). The goal is to make safe, decent and affordable housing **available** to all persons.

**Safe** – housing that meets minimum codes, is a deterrent to criminal activity, is safe from lead, asbestos and other environmental hazards.

**Decent** – housing that is well maintained and is of such quality so as to maintain or increase property values in the neighborhood.

**Affordable** – housing that provides choices which meet the variety of the community's housing needs and which costs no more than 30-40% of household income.

Current Status. There are many people whose situations place them in need of affordable housing, and for whom no such housing exists. The following statistics are illustrative of this condition.

Very Low Income. The U.S. Department of Housing and Urban Development has determined that persons who earn less than 30% of the area median family income (AMFI), are considered very low income (poverty level). Census data from 2000 indicates that 7,397 families in Wichita, are very low income and are living below the Federal poverty level.

In Wichita, a family of four earning less than \$17,700 meets this income designation. Using data presented elsewhere in this document (see page 12), paying no more than 30% of their income for housing expenses, a family of four would need rent or mortgage payments at no more than \$442/month. According to that same data, the fair market rent for a two-bedroom apartment is \$594/month – without utilities. Such families are therefore forced to pay more than 30% of their income for housing expenses or live in substandard housing, or worse.

Low income persons and many of the following categories of special needs populations, also have transportation needs which must be factored into their housing choices. Having safe, decent and affordable housing with access to public transportation, is essential to make it possible for such persons to maintain employment, and access services such as grocery stores and other essential resources necessary to maintain a stable, functioning household.

### Special Needs Population Groups

Disabilities (Persons with). The Americans with Disabilities Act defines an individual with a disability is a person who:

- Has a physical or mental impairment that substantially limits one or more major life activities;
- Has a record of such an impairment; or
- Is regarded as having such an impairment.

According to 2000 Census data, over 59,513 (19%) non-institutionalized persons in Wichita over the age of 5, have some sort of disability (sensory, physical, mental and self-care). Of the non-institutionalized population over the age of 21, 61% are employed.

Locally, more than 1,300 people with severe or persistent mental illness in Sedgwick County, receive community support services from COMCARE of Sedgwick County and their affiliates. According to COMCARE officials, people with mental illness are most likely to require support in the form of rent subsidy.

Affordable housing is the most crucial need in our community, especially for persons with a disability. A publication of a persons with disabilities consortium, "Priced Out in 2003-2004", shows that people with disabilities are three times more likely to have extremely low incomes than non-disabled people.

In Wichita, the average SSI payment is \$579, and in many cases the cost of rent for a one bedroom apartment requires 83% of that monthly income – far exceeding HUD's standard of 30% of income going to housing costs. People with disabilities are often priced out of every housing market, unless they can obtain Section 8 vouchers.

There is a need to preserve and increase the stock of permanent affordable housing for those living in poverty. This includes many persons who have disabilities, who also need to have access to mainstream support services including mental health services, employment, Medicaid, financial support and other community resources to find and sustain long-term housing stability.

Ex-Offenders. According to the "Final Report of the Joint City/County Task Force on Offender Reentry" (February, 2004) 1,850 offenders are released to Sedgwick County each year, of which 275 are sex offenders. Within a year after release, 45% of released offenders have not returned to prison, however 47% have returned because of a condition violation. Twenty-five per cent of returning offenders lack adequate housing; 50% lack adequate job skills; two-thirds have addiction histories/issues; and 20% have mental health needs. The Sedgwick County COMCARE program reports that, according to the "New Freedom Commission on Mental Health Subcommittee on Criminal Justice: Background Paper (2004)", the rate of serious mental illnesses for individuals in jail or

prison is nearly three to four times that of the general US population. Such offenders are often cycled through various social service systems with no comprehensive approach to addressing their needs. Poverty and substance abuse are often accompanying conditions – persons with money and private health insurance who have serious mental illnesses rarely end up in the criminal justice system.

Housing recommendations in the Ex-Offender Task Force report include adoption of the Implementation Plan for the Offender Reentry Initiative, and to: 1) work with local housing service providers to identify ways to track returning offenders with housing needs; 2) establish relationships with local landlords to remove barriers to returning offenders; 3) dialogue with HUD and local providers to remove barriers to offenders being considered eligible for existing housing services; and, 4) review existing licensing requirements for alternative correctional housing to ensure they are not unduly prohibitive for offenders to have access to housing and housing services. The Wichita City Council did not approve the implementation plan, but did approve the recommendations. The matter was referred to the District Advisory Boards (DABs) and the original Alternative Correctional Housing Board for further review.

Federal regulations do not prohibit admission of ex-offenders into Public Housing or Section 8 programs (except under certain circumstances), however given the long waiting lists, it is unlikely that this resource could be the focus for addressing this growing problem. In his 2004 State of the Union Address, President Bush proposed a 4-year, \$300M Prisoner Reentry Initiative to help individuals leaving prison make a successful transition to community life and long-term employment. The 2006 Federal budget includes \$75M for this initiative, including \$25M within HUD. However it is not known how this will impact the local population.

Homeless. A homeless person is defined (by HUD) as an individual who lacks a fixed and regular nighttime residence or an individual whose primary nighttime residence is:

1. A supervised shelter designed to provide temporary accommodations;
2. A halfway house or similar institution that provides temporary residence for individuals intended to be institutionalized if the stay is anticipated to be for less than three months; or
3. A place not designed for, or originally used as, a regular sleeping accommodation for human beings.

Statistics derived from the annual one-day point-in-time sheltered and unsheltered homeless count, were included in the 2005 SuperNOFA. There were 728 homeless persons documented in Wichita on January 25, 2005. In order to meet this population's housing needs, 475 transitional beds should be made available to our community to provide sufficient inventory for those leaving emergency shelter. However the need for housing goes beyond the sheltered (emergency and transitional) because the solution to homelessness must always include the availability of permanent, affordable housing. The NOFA response also included a need for 632 permanent, affordable housing units.

Persons Living with AIDS. There are 747 persons identified in Sedgwick County who have been medically diagnosed with HIV/AIDS. Of these numbers, 247 receive case management from Positive Directions. Many of those persons survive on an average of \$500/month. In addition, 121 clients receive short or long term housing with Kansas Care Through Housing (KCTH), a local Housing Opportunities for Persons Living with Aids (HOPWA) program. However, effective July 1, 2005, KCTH clients will only be able to

sign up for short term assistance (a total of 21 weeks) due to major funding reductions. Those in long term care currently will have only short term options after their one year anniversary date. In addition to the needs created by this change in policy, the Positive Directions executive director indicates that since many of their clients also struggle with mental health and substance abuse issues, there is a need is for transitional homes where clients can live for 30-60 days after treatment.

Seniors. The 2000 U.S. Census reports 24.5% of all homeowner households were headed by persons age 65 and over. Census statistics for renters reflect 11% of renter households are over 65. Statistics from the City's Public Housing and Section 8 records (May, 2005) indicate 10% of all Public Housing (approximately 178 persons) and 327 of 2,424 Section 8 households (13%) are headed by persons over age 62.

According to an analysis of 1990 and 2000 Census data conducted by Wichita State University, the largest population group in Wichita, is between the ages of 45 and 54. That group increased between the two census years, by 58%. It is anticipated that this population will increase significantly over the next 20 years, and that the lifespan of such persons will expand to create an exponential increase. Additionally, many seniors are opting for independent living environments although there is a growing interest in senior housing which is tied to related services.

Single heads of households. The 2000 U.S. Census data reports 12.4% of owner-occupied housing is headed by single persons; 21.4% of renter households are headed by single persons. Persons who have a need for subsidized housing are overwhelmingly single heads of households based on information from the City's Public Housing and Section 8 populations. Statistics gathered in May, 2005, report 480 single heads of households, among 540 householders in Public Housing. The single heads of households among Section 8 clients, is 2,320 of approximately 2,424 voucher holders.

The City's HOMEownership 80 program has also assisted single heads of households. In 2003, 40 of 59 first time homebuyers were single persons; in 2004 the number of single persons assisted was 33 of 50. It is not surprising that these numbers are high, however the significance lies in the need to continue and expand resources for this program which is making homeownership a reality for many of Wichita's low-moderate income families.

Transition from job layoffs, new job growth areas, etc. (Persons in).

The unemployment rate in Wichita increased between the 1990 and 2000 Census periods. In addition to the Census figures, the Wichita area experienced a loss of over 7,000 jobs following the September 11, 2001 terrorist attack. These statistics have a telling impact on the ability of many Wichita residents to obtain and maintain safe, decent and affordable housing.

According to the Census, the occupation category with the largest increase was in production, transportation and material moving fields. According to the U.S. Department of Labor, the mean annual wage for production jobs is \$34,160; the mean annual wage for transportation and material moving occupations is \$25,450.

Online mortgage calculators were used to determine the home sales price which would be affordable for each salary range, with the assumptions listed:

Salary	Monthly Debt	Dnpymt	Prop Tax	Insurance	Interest	Term	PITI	Total Debt	Sales Price
34,160	250	2500	1%	0.5%	8.25%	30	28%	36%	86,453
25,450	250	2500	1%	0.5%	8.25%	30	28%	36%	57,986

According to the WSU Center for Real Estate “2004 Wichita Housing Market Forecast”, the median sales price for existing homes is forecast at \$93,339; median new home sales prices are forecast at \$152,362. Sedgwick County median sales prices are slightly higher at \$98,350. Thus, the primary job growth category(ies) cannot afford the median sales prices of homes in Wichita.

Veterans. According to Wichita Veteran’s Administration officials, there are 28,719 veterans in Wichita, a majority of whom have housing needs. Those needs include the availability of affordable, supportive housing. Many are low income and have disabilities requiring ongoing or periodic case management intervention. Most are single persons, with increasing numbers of single female parents. Housing is their biggest issue and is brought on by a variety of factors. HUD project-based multi-family housing contracts are expiring and owners are opting out of providing affordable rental units; other affordable housing sites, particularly those in downtown areas, are being closed and/or demolished for new developments with generally higher rents; Shelter Plus Care vouchers are not readily available for this population. Service providers are therefore left with few referral options, often resorting to recommending that veterans double up with family members, etc. There is a great need for transitional and affordable housing for this population group.

Youth at risk/ Foster care graduates. The Children’s Defense Fund defines youth at risk as youth between the ages of 5 and 21 who have experienced a variety of life circumstances, including the following: history of physical, mental, emotional and/or sexual child abuse and/or neglect; history of depression, hopelessness, suicidal thoughts/attempts; little or no positive adult relationships; poor academic performance due to behavior; poor peer relationships; membership in a gang; non-traditional family structures; and children in foster care.

Foster children leave the foster care system when they reach the age of 18, and experience what the system refers to as “emancipation”. This is also referred to as “aging out of the foster care system”. The Foster Care Independence Act (the Act) of 1999 helps ensure that young people involved in the foster care system get the tools they need to make the most of their lives, including opportunities for additional education or training, housing assistance, counseling and other services.

Some of the provisions of the Act include:

- flexible funding for distribution to States through grants for program services for youth;
- opportunities for States to serve youth who are likely to remain in foster care and those who have aged out of foster care up to 21 years of age.
- enabling youth to make better choices and accept greater responsibility for their own lives;
- enabling older youth (18-21) to receive housing assistance if needed;
- options for states of allowing these young people to remain eligible for Medicaid up to age 21.

The State of Kansas served 1,297 persons in their reintegration/foster care program, though it's not clear how many of those served were emancipated youth. In addition, the State operates a Youth Independent Living Program, which is described below.

"Youth Independent Living provides youth with a permanency goal of self-sufficiency[; they] will be provided an individualized transitional living program designed to assist them when they move out of foster care as young adults. Transitional plans include having an adult mentor to counsel, encourage, and help the youth as they assume adult responsibilities. Children growing up in their own homes have role models who help them develop into responsible, independent adults. Children growing up in foster care may move frequently, may have interrupted education and may be reacting to their own emotional needs or to abuse and neglect experienced in their own home. This program is designed to fill in some of the gaps that occur because of the out-of-home placement and help adolescents learn skills they need for successful transition to adulthood."

Following are barriers to housing which is available to all persons in the Wichita community. Also included are strategies for addressing the barriers, players, roles and specific initiatives. The top five barriers, according to the Housing Availability Team Members, have also been identified.

#### **Team Members**

Deann Smith, HAB Member and CCHA Chair, Co-Captain  
Stephanie McFarlin, HAB Member  
Steve Barcus, HAB Member  
Wess Galyon, HAB Member and WABA Executive Director  
Judy Epperson, VA (by phone)  
Mary K. Vaughn, Housing and Community Services, Co-Captain



### **Housing Availability Action Plan: Making Safe, Decent, Affordable Housing Available to All**

**Safe:** housing that meets minimum codes, is a deterrent to criminal activity, is safe from lead, asbestos & other environmental hazards

<b>Priority Ranking</b>	<b>Barriers</b>	<b>Strategies</b>	<b>Players</b>
<b>4</b>	Loopholes in code enforcement	Strengthen code enforcement Implement StopBlight initiatives Partner with Neighborhood Connections	City Housing & Community Services Dept. City Office of Neighborhood Services Neighborhood Associations
	Vulnerable neighborhoods, often due to household income	Provide home repair upgrades Strengthen neighbor-hood watch programs	City Housing & Community Services Dept. City Office of Neighborhood Services Neighborhood Associations City Police Department
	Deferred maintenance due to age of current housing stock and cost of rehab	Seek funding Support ongoing programs, such as McAdams Home Repair program	City Housing & Community Services Dept. Neighborhood Associations Nonprofits
		Provide information and tools (HCSD handbook; Channel 7) Provide instruction Provide hands-on assistance Provide tools (tool lending) Develop home repair funding pool	City Housing & Community Services Dept. Neighborhood Associations Nonprofits Private sector (Home Depot, Lowe's, etc.)
	Environmental conditions	Evaluate trouble spots Identify clean up or reuse plans Enforce demolition standards Enforce housing rehab standards	City Housing & Community Services Dept. City Office of Central Inspection City Environmental Services Department Kansas State government

**Decent:** housing that is well maintained and is of such quality so as to maintain or increase property values in the neighborhood

<b>Priority Ranking</b>	<b>Barriers</b>	<b>Strategies</b>	<b>Players</b>
<b>3</b>	Neighborhoods with declining housing values	Implement StopBlight initiatives to identify neighborhoods with poor conditions Address poor conditions systematically by neighborhood	City Office of Central Inspection City Office of Neighborhood Services City Housing & Community Services Dept.
		Implement policy strategies to improve conditions	City Office of Central Inspection City Housing & Community Services Dept. Wichita City Council Kansas State government
		Implement urban redevelopment plans to create/improve housing	City Redevelopment Authority
	Lack of incentives for mixed income neighborhoods	See Housing Affordability section	

### Housing Availability Action Plan

**Affordable:** housing that provides choices which meet the variety of the community's housing needs and which costs no more than 30-40% of household income

Priority Ranking	Barriers	Strategies	Players
	Developer cost for land acquisition, site prep and infrastructure	Establish cost sharing between the City and developers Subsidize site prep costs Subsidize infrastructure costs Provide incentives to developers for projects within the core Establish Housing Trust Fund using fees charged for development outside the core, to support inner core development and create community stability Establish bond financing program for infrastructure	City Finance Department City Office of Economic Development City Housing & Community Services Dept. Wichita Area Builders Association Sedgwick County City Redevelopment Authority
	Lack of housing stock which is affordable to persons at 81% and above the AMFI	Reduce site costs Tie to economic development Also see Affordability section	City Redevelopment Authority City Housing & Community Services Dept.
	Downpayment and closing costs	Seek funding to expand grant and loan programs Seek and support applications for Affordable Housing Program (AHP) Also see Affordability Section	City Housing & Community Services Dept. Lender pool Lenders Nonprofits
<b>2</b>	Limited existing resources necessary to maximize housing options	Explore feasibility of establishing TIF districts for residential development Identify legislative changes required Establish special appraisal system to encourage mixed income areas	City Housing & Community Services Dept. City Redevelopment Authority City Office of Economic Development Wichita City Council Kansas Legislature Sedgwick County USD 259
		Engage lending institutions in aggressive community development	Local banks

### Housing Availability Action Plan

**Special Needs:** housing that meets the specific and unique needs of identifies special population groups

Priority Ranking	Barriers	Strategies	Players
<b>1</b>	Lack of housing options for persons with mental disabilities and/or drug and alcohol addictions	Identify housing options tied to services Convene appropriate service providers to insure that housing needs are met or planned for Create or expand supportive housing services	Kansas Dept. of Social & Rehabilitative Services
	Lack of affordable housing for persons with felony convictions (ex-offenders); lack of access to existing housing by persons with felony convictions	Identify housing options tied to services Establish housing inventory among current landlords Investigate options for housing certain ex-offenders Seek funding options Create a landlord resource guide Modify the WHA Admissions policy Create transitional housing and services for ex-offenders Seek non-traditional funding in partnership with State corrections agencies, to establish more housing and more related supported services Use inmate and offender labor to rehabilitate existing housing to transform neighborhoods	Sedgwick County Wichita Housing Authority Kansas Department of Corrections Sedgwick County Kansas Housing Resources Corporation H.O.P.E., Inc./H.O.P.E. Properties
	Lack of affordable housing for homeless individuals and families	Identify and structure programs to address conditions Create center for temporary and transitional housing, referrals	City Housing & Community Services Dept. Sedgwick County Community service providers
	Lack of housing options for seniors	Convene appropriate service providers to insure that supportive services needs are met or planned for Create senior housing developments in a quality living environment with supportive but not necessarily assisted living resources	Sedgwick County Dept. on Aging Wichita Housing Authority
<b>5</b>	Lack of affordable housing for the working poor	Create more housing which is affordable for very low income persons through current Federal programs Explore new funding sources for housing development, including IRBs Explore the feasibility of establishing residential TIFs	City Housing & Community Services Dept. City Redevelopment Authority Kansas Dept. of Social & Rehabilitative Services

<b>Priority Ranking</b>	<b>Barriers</b>	<b>Strategies</b>	<b>Players</b>
		Provide job training and placement with living wages Develop partnerships with employers Create incentives for developers to train the very low income	Career Development Center
	Lack of housing options for veterans	Identify housing options tied to services Convene appropriate service providers to insure that housing needs are met or planned for Explore funding options Create or expand transitional and permanent housing options	Wichita Housing Authority
	Lack of housing options for youth at risk/emancipated foster care	Identify housing options tied to services Insure that Kansas accesses available funds to provide supportive housing and services for this population Create or expand transitional housing for this population	Kansas Dept. of Social & Rehabilitative Services Kansas Children's Services League

# **Wichita**

## **Comprehensive Housing Policy**

### **Neighborhood Stability**

Definition. A stable neighborhood is a defined place with well-maintained buildings, grounds and infrastructure that is predominately owner occupied and free of economic decay, blight and crime.

Goal. It shall be the goal to make safe, decent, affordable and marketable housing available to all persons in economically self-sustaining neighborhoods by maximizing the utilization of properties with the provision of public services to stimulate and promote rehabilitation, redevelopment and homeownership within the City.

#### Current Status.

- The majority of Wichita's housing stock was developed in the years following World War II, between 1950 and 1959 (Census 2000).
- Housing in the Sedgwick County is very affordable, with a median value of \$98,350 (Census 2003).
- The City of Wichita contains seven historic districts with housing structures that contribute greatly to the area's culture and sense of place.
- The 2000 Census identifies approximately 152,000 housing units in the City of Wichita. The Wichita Department of Central Inspection has identified approximately 12,000, or 8%, of Wichita's housing units as substandard rental units.
- Over 1,000 housing units in Wichita have been placarded for non-occupancy.
- The City of Wichita offers very diverse housing options for residents: pedestrian friendly historic areas, high-rise downtown living and low-density auto oriented metropolitan areas.
- Wichita's downtown housing neighborhood continues to redevelop and provides amenities for mixed-income communities.
- There are many older neighborhoods whose conditions place them in need of redevelopment. In some cases residences are functionally obsolete in their present condition with housing that has restricted ingress and egress to public streets.
- Many older neighborhoods contain housing stock in need of rehabilitation to make them more functional for modern lifestyles.
- Curb appeal is low in older neighborhoods due to a lack of restrictions through ordinances or protective covenants.
- Some neighborhoods lack adequate traffic corridors and shopping within close proximity.
- A few neighborhoods are stigmatized by the perception of being in a high crime area.
- Some neighborhoods are stigmatized by the perception of having lower performing schools resulting in residents moving out of the area to find alternate educational services.
- Vacant lots, boarded-up houses and abandoned industrial sites threaten neighborhood stability in some areas.
- Increasing appreciation of neighborhoods which celebrate ethnic heritage.

### **Team Members**

Rosalie Bradley - Wichita Independent Neighborhoods  
Tom Byler – (Co-Captain) – Housing and Community Services Department  
Wanda Givens - Wichita Police Department  
Dan Jones - Capitol Federal Savings - Housing Advisory Board  
Deborah Legge - Office of Central Inspection  
Rob Snyder (Co-Captain) - Peaceful Village Management - Housing Advisory Board  
Scott Wadle - Metropolitan Area Planning Department  
Ed Wolverton - Wichita Downtown Development Corporation

## NEIGHBORHOOD STABILITY ACTION PLAN

Priority Ranking	Barriers	Strategies	Players
	High rate of occupancy turnover in neighborhoods	Promote homeownership to increase occupancy tenure Encourage residents to join neighborhood associations to discuss improvements needed to make the area more desirable Target areas with high turnover rates with down payment assistance	City Housing & Community Services Dept. Wichita Area Association of Realtors Wichita Independent Neighborhoods, Inc. Sunflower Community Action
	Neighborhood crime	Urban design standards that allows for more visibility by neighbors Implement Police Dept. stability plans	City/County Metropolitan Area Planning Dept. City Police Department
<b>1</b>	Perception of higher than normal crime rates	Establish crime reduction programs in neighborhoods Provide better publicity of actual crime statistics Make police more visible on the street. Involve police with more neighborhood organizations Add neighborhood watch programs Identifying areas in need of repairs (broken window theory) Target troubled areas with above baseline services	City Police Department Neighborhood Associations Weed and Seed
<b>3</b>	Blight and poor curb appeal	Improve the appearance of properties Advertise programs that provide funding for housing rehab Review and create new rehab programs where necessary Perform annual neighborhood clean up drives Start a neighborhood painting program with volunteers painting the residences Provide home repair clinics Continued enforcement with stricter residential front yard ordinances Continue paint and low-interest home repair loan programs Provide incentives for neighborhood beautification efforts	City Housing & Community Services Dept. City Office of Central Inspection City Environmental Services Department Sedgwick County Private building supply companies

Priority Ranking	Barriers	Strategies	Players
	Boarded-up houses	Implement StopBlight Regulate property owners thru permit fees to board houses for long term board-ups Pursue a more active approach towards filing liens on the properties for code violations Strengthen codes (stricter ordinances) with increased fines	City Office of Central Inspection City Law Department Wichita City Council City Redevelopment Authority Kansas Legislature Sedgwick County
<b>4</b>	Absentee landlords who do not maintain their property	Establish required local contacts	City Office of Central Inspection Wichita City Council
	Abandoned properties with delinquent taxes	County foreclosures on properties after 2 years of delinquent taxes	Sedgwick County Treasurer
	Inexperienced landlords	Partner with landlords, to educate them on good, responsible landlord behavior	City Office of Central Inspection City Housing & Community Services Dept.
	Dangerous and unsafe structures	Amend K.S.A. 12-1750 to allow cities to condemn property more expeditiously	Kansas Legislature City Law Dept. City lobbyist
	Vacant lots in older neighborhoods	Reduce inventory through infill home-ownership construction Actively pursue property liens and seizures Create an online database to inventory and market vacant & abandoned lots Create an authority with the power to acquire, consolidate and market vacant properties Work with area Community Development Corporations (CDCs) and CHDOs to develop the properties Develop attractive re-use plans Provide downpayment and closing cost assistance	City Housing & Community Services Dept. Community Housing Development Organizations (CHDOs) Wichita Area Builders Association
	Inadequate shopping	Promote retail development Provide incentives for retail development	City Housing & Community Services Dept.
	Run-down properties	Provide low-interest emergency and historic property loans Target specific areas with low-interest loans Develop new programs that can be better utilized Adjust local building codes with flexible standards for historic home rehabilitation Develop a plan to assist history property owners	City Housing & Community Services Dept. City Finance Department City Office of Central Inspection



Priority Ranking	Barriers	Strategies	Players
	Ineffective enforcement tools	Stricter enforcement of ordinances Educate judges of the benefits of strict enforcement or revise current jurisdiction to administrative hearings	City Municipal Court City prosecutors
	Housing in violation of City codes	Community education on housing standards Neighborhood based code enforcement	City Office of Central Inspection City Environmental Services Department City Manager's office
<b>2</b>	Perception of inner city schools	Stress the positive points about area schools and develop more magnet programs	USD 259 News media
	Lack of adequate sidewalks	Improved platting regulations Provide sidewalks in low-mod areas	City Office of Central Inspection City Housing & Community Services Dept. Sedgwick County
	Lack of adequate storm sewers resulting in floods in areas of the City	Master plan for storm water drainage Create a storm water district to serve the entire metro area	City Public Works Department City Water and Sewer Services Dept.
	Lack of adequate and accessible parks	Require dedication of common areas of trees Provide additional parks and common areas	City/County Metropolitan Area Planning Dept. City Park and Recreation Department
	Lack of adequate street lighting	Create safer neighborhoods Address appearance issues Increase street lighting in targeted areas	City Public Works Department
	Unpaved streets	Pave all existing City public streets Petitions by area residents to pave streets City initiatives for projects without petitions	Public Works Department Finance Department
	Lack of life skills and resident responsibilities	Offer classes on how to be good homeowners and tenants, including housekeeping and maintenance	HCSD Sedgwick County Extension Office Non-profit agencies
<b>5</b>	Lack of investment in the inner core urban areas	Create a sense of place that attracts people Develop area and neighborhood plans to discover where public and private investments are needed	City/County Metropolitan Area Planning Dept.
	Inefficient houses	Review projects to ensure that they meet the highest cost effective energy standards Promote energy efficient design and materials	City Office of Central Inspection

<b>Priority Ranking</b>	<b>Barriers</b>	<b>Strategies</b>	<b>Players</b>
	Concentrations of low-income households	Distribute low-income housing throughout the City De-concentrate low income households Promote mixed income neighborhoods Attach economic development initiatives to housing to increase attractiveness of mixed-income housing	Wichita Housing Authority City Housing & Community Services Dept.
	Poor urban design in older neighborhoods	Create new urban design standards Continued evolution from past design standards to a higher level of urban design	City/County Metropolitan Area Planning Dept. City Office of Central Inspection
	Poor environmental conditions	Stricter enforcement of current ordinances Increase staffing to properly enforce ordinances	City Environmental Services Department
	Poor maintenance of City owned vacant land	City to set a good example for private property owners Increase staffing for seasonal mowing and trash removal	City Public Works Department City Park & Recreation Department

# **Wichita Comprehensive Housing Policy**

## **Leveraging Resources**

Definition: The ability to combine various monetary resources in order to extend the capacity of housing developers and/or City government to finance housing projects in order to maximize and accelerate housing production, and to increase homebuyer borrowing capacity.

Goals: To assist non-profit and for-profit housing developers to increase the capacity to produce housing, to undertake community development-related housing projects and to increase homeownership.

Current Status: There are several resources and programs currently available in the Wichita area that can be leveraged by housing developers to finance various types of multi-family and single-family housing projects. Resources and programs are also available to homebuyers.

### **Leveraging Resources for Single-Family Housing**

In recent years, the City of Wichita has established incentive programs, in connection with the Neighborhood Revitalization Plan, for the development of housing in the City's emphasis areas. These incentive programs include the waiver of building permit fees, water and sewer tap/plant equity fees, and tax rebates for newly constructed homes and substantial rehabilitation projects in the Neighborhood Revitalization Area. Non-profit Community Housing Development Organizations (CHDO's) and for-profit developers have utilized these programs to leverage HOME Program subsidies to develop affordable single-family housing.

Many lenders in the Wichita area provide housing construction financing. CHDO's and private developers have successfully leveraged HOME funding for single-family housing projects by developing borrowing capacity with local financial institutions to secure participation construction loans. This method of financing enables housing developers to accelerate production in HOME Program-related housing development projects.

The City of Wichita offers a special assessment program for the construction of new infrastructure in connection with new housing developments. This program eliminates the need for builders and housing developers to privately finance and/or pay for infrastructure in advance of housing development. Through the special assessment program, the City sells bonds to pay for infrastructure improvements. These bonds are retired with payments received from homeowners over a period of 15 to 20 years. For-profit and non-profit housing developers have utilized the special assessment financing program in connection with HOME-subsidized single-family housing developments.

The Wichita area is a competitive market for mortgage lenders. Local mortgage lenders provide an array of products, including FHA, VA and high loan-to-value ratio conventional mortgage loans with private mortgage insurance. Special programs, offering lower buyer contribution requirements are also available. Mortgage loan products are offered through local financial institutions, mortgage bankers/brokers, internet-based loan companies, as well as a local non-profit lender. Local lenders have also formed a collaborative partnership to offer an affordable financing opportunity to potential homebuyers who do not typically utilize traditional forms of credit. Homebuyers typically utilize all available products to leverage funding for home purchases, and to leverage financing from down payment assistance programs such as the HOMEownership 80 program.

The City of Wichita has designed its homebuyer assistance program in order to leverage first mortgage financing for income-eligible homebuyers by providing substantial down payment and closing costs assistance in connection with the purchase of a home. In most cases, the level of assistance eliminates the need for private mortgage insurance, and also minimizes risk for lenders.

Local non-profit agencies have experienced success in applying for Affordable Housing Program (AHP) funding from the Federal Home Loan Bank. This funding is most often provided to first-time homebuyers in the form of down payment/closing costs assistance, and is typically leveraged with first mortgage financing and in some cases, down payment assistance provided by the City of Wichita. Private developers have also utilized AHP funding as a part of the financing package for multi-family projects.

### **Leveraging Resources for Multi-Family Housing**

Developers utilize the Low-Income Housing Tax Credit program to leverage private financing to complete affordable multi-family housing projects in the City of Wichita. In some cases, Historic Tax Credits can be used, as in the case of the Eaton Place Apartments or the Harvester Apartments. The tax credit program enables housing developers to leverage private sector financing to the extent that rents can be made affordable to families and individuals with household incomes not exceeding 50% or 60% of the median level.

Industrial Revenue Bonds have been leveraged with private financing, tax credits, HOME funding and private financing in connection with mixed-income housing projects such as Innes Station Apartments in Old Town, as well as the Eaton Place Apartments, a mixed-use/mixed-income housing development in the Central Business District.

Multi-family housing developers also have the ability to utilize the Federal Home Loan Bank's Affordable Housing Program, in order to secure additional financing for multi-family projects, provided that families with household incomes not exceeding 50% of the

median level are served. In addition, the tax rebate program available for single-family housing in the City's Neighborhood Revitalization Area is also available for multi-family housing developments.

**Team Members**

Wess Galyon (WABA)

Christy Askew (Planning)

Stephanie McFarlin (HAB/Section 8 Resident)

Mark Stanberry, Housing and Community Services

## LEVERAGING RESOURCES ACTION PLAN

Priority Ranking	Barriers	Strategies	Players
<b>1</b>	Insufficient resources to initiate substantial housing development or re-development projects	Investigate, evaluate and support the use of other funding mechanisms that have not been utilized to leverage current resources for housing development projects. Pursue other sources of funding for housing development projects in order to leverage HOME funding, and to provide ongoing, reliable HOME-eligible match resources	City Housing & Community Services Department City Law Department City Redevelopment Authority
		Establish a Housing Trust Fund to leverage City HOME funding (HOME-eligible match). Consider funding with local mortgage registration taxes, tax increment funds from redevelopment districts	City Housing & Community Services Dept. City Redevelopment Authority
		Investigate use of Tax Increment Financing (TIF)'s for the purpose of financing single-family housing development	City Housing & Community Services Dept. City Redevelopment Authority City Office of Economic Development
		Continue to support the efforts of CHDO's to apply for additional development subsidy or homebuyer assistance funding. Support/assist CHDO's in efforts to expand borrowing (loan) capacity for housing development projects	City Housing & Community Services Dept.
		Review and apply for grant funding opportunities as they become available	City Housing & Community Services Dept. Non-profit agencies
<b>2</b>	Limited scope of local and State incentive programs to support core area development	Continue incentive programs offered as part of Neighborhood Revitalization Program Aggressively promote and market incentive programs	City Housing & Community Services Department City Office of Economic Development
		Continue to provide "one-stop" service for the waiver of permit fees and water and sewer tap/plant equity fees, when applicable, upon application for a building permit	City Office of Central Inspection
		Continue to support projects proposing financing with LIHTC program Review City of Wichita's Tax Credit Policy with respect to 20% market-rate unit set-aside requirement	City Housing & Community Services Dept. Housing Advisory Board

Priority Ranking	Barriers	Strategies	Players
<b>3</b>	Limited financing options for some homebuyers	Encourage the development of lender programs that assist in the leveraging of HOME funding for down payments, closing costs, and first mortgage financing Continually review City-funded homeownership programs to make certain they remain "lender-friendly" and easy to use <b>Be on the alert for lender red-lining</b>	City Housing & Community Services Department
		Continue to develop programs to make homeownership accessible to low/moderate income families Consider the waiver of any loan-related fees	Lenders Fannie Mae (Lease-Purchase) Freddie Mac (Lease-Purchase) Kansas Housing Resources Corporation
		Continue participation in Heart of Wichita Lender Pool	Lenders City Housing & Community Services Dept. Community Housing Services
		Develop a coordinated approach for credit counseling/reparation Develop specific referral for credit reparation	Lenders City Housing & Community Services Dept. Community Housing Services Urban League of the MidPlains Consumer Credit Counseling Services
<b>4</b>	Current policy requiring special assessment financing for peripheral infrastructure in connection with infill development	Modify policy regarding special assessment financing to favor infill area development Provide alternate source of financing for peripheral infrastructure requirements/needs for infill housing projects	City Housing & Community Services Dept. Wichita Area Builders Association
<b>5</b>	Current policy for the allocation of CDBG funding does not provide for the ability to undertake substantial infill housing development and to serve families with incomes exceeding the limits applicable to the HOME program	Increase CDBG allocation for housing programs Serve over-income families by funding 'spot blight' projects Utilize CDBG funding for infrastructure needs in connection with substantial redevelopment projects	City Housing & Community Services Dept. Wichita City Council
	Lack of understanding as to the benefits of housing development: increase tax revenue, increased homeownership, increased employment, (construction jobs).	Educate elected officials with respect to the benefits of housing development Create annual Housing Report for the City Council	City Housing & Community Services Dept. Wichita Area Builders Association Wichita State University Wichita Area Association of Realtors Community Housing Development Organizations (CHDOs)

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# Wichita

## Comprehensive Housing Policy

### Quality

**Definition.** Housing Quality reflects housing standards, which are desirable, functional, safe, and energy efficient.

**Desirable** housing is located in a stable neighborhood with convenient neighborhood schools, transportation, retail and commercial components, paved streets, sidewalks and public utilities where clean environmental conditions are enforced.

**Functional** housing is configured for modern living, easily maintained and built with durable materials.

**Safe** housing is located in a neighborhood that is free of crime, not blighted, well lit and free of other environmental hazards.

**Energy Efficient** housing has adequate thermal insulation, modern air distribution systems, is free of moisture problems, and utilizes renewable materials.

**Goal(s).** It shall be the goal to make quality housing available to all citizens in the Wichita community.

**Current Status.** The following conditions affect the current housing stock in Wichita.

- ? Unsafe housing conditions exist in many older neighborhoods. Problems include: asbestos laden building products (up to 1960's), lead based paint (up to 1978), homes with no plumbing, HVAC or electricity, mold and insect infestation, substandard wiring and ground outlets, inadequate electrical service, inadequate insulation.
- ? Undesirable conditions are present in existing neighborhoods. Problems include: unpaved roads, overgrown alleys, poor storm drainage, homes located in flood plains, boarded-up and vacant homes, lack of environmental enforcement (trash, abandoned cars, noxious yards, etc.), real and perceived lack of public safety, and poorly maintained properties.
- ? Functionally obsolete housing in neighborhoods. Living standards have changed since the development of the older inner beltway neighborhoods. Formal living/dining rooms are no longer used today. Home office and home schooling are growing trends. Existing housing can be adapted to today's lifestyle trends.

- ? Housing in Wichita today lacks a sense of diversity. The majority of new housing appears to only address a single-family quotient of two parents, two kids. It does not adequately provide for home ownership within alternative lifestyles (empty nesters, double income adults/no kids, urban residents, non-vehicular residents, etc.). It also lacks a sense of identity (ethnicity, lifestyle, etc.).
- ? Housing is a significant element of the local economy and quality of life, yet planning for quality community development is all but ignored by the citizens of Wichita.

### **Team Members**

Tony Rangel, Law Kingdon

Gail Lotson, City's Housing & Community Services Department

Dave Barber, City's Metropolitan Area Planning Department

Donna Goltry, City's Metropolitan Area Planning Department

Kathy Morgan, City's Metropolitan Area Planning Department

Mark Bradshaw, Environmental Health

Deb Legge, City's Office of Central Inspection

## HOUSING QUALITY ACTION PLAN

Priority Ranking	Barriers	Strategies	Players
<b>1</b>	Inadequate staff for code enforcement	Use revenue from fines, permit fees & taxes to fund additional positions	City Office of Central Inspection City Environmental Services Department City Public Works Department Wichita City Council
	Improper storm drainage design in new residential developments	Enforce City storm water management plan code requirements for proper storm drainage design. Assure that each residential lot has an identified drainage elevation	City Office of Central Inspection City Environmental Services Department City Public Works Department
	Improper landscaping causing storm drainage problems and water ponding	Identify & improve target areas that contribute to water ponding and storm drainage problems	City Office of Central Inspection City Park & Recreation Department Wichita Independent Neighborhoods, Inc.
<b>2</b>	Vacant lots, neglected alleys and unsafe parking lots	Encourage development on vacant lots Provide alley cleanup services Enforce existing environmental codes	City Office of Central Inspection City Public Works Department City Environmental Services Department
	Condition of existing stock of four-plex apartment units	Encourage reinvestment in existing units and better integrate them into the existing neighborhoods Provide guidelines, modification plans and subsidies to remodel and redevelop existing four-plex apartment units within the beltway	City/County Metropolitan Area Planning Dept. City Office of Central Inspection City Public Works Department City Environmental Services Department
<b>4</b>	Existing neighborhoods on the verge of disrepair and housing that is obsolete by 21 <sup>st</sup> century standards.	Adopt policies of the National Bungalow Initiative. Develop a Redevelopment Initiative. Develop guidelines & development standards to convert old housing stock to 21 <sup>st</sup> century living configurations. Provide development subsidies (loan, grant tax incentives) Provide guidelines, modification plans and subsidies to remodel and redevelop bungalow style housing within the beltway. Implement economic Revitalization Initiatives similar to the First Suburbs Consortium in Cleveland, Ohio to address mature neighborhood issues	City/County Metropolitan Area Planning Dept. City Redevelopment Authority

<b>Priority Ranking</b>	<b>Barriers</b>	<b>Strategies</b>	<b>Players</b>
<b>3</b>	Lack of open and green space, as well as park & recreation facilities within new and existing neighborhoods	Update community comprehensive plan to increase the desired level of park and recreation space based on community input. Develop awareness of the value of open/ green space in urban communities Identify a greater percentage within the comprehensive plan	Wichita Independent Neighborhoods, Inc. City Office of Neighborhood Services City Park & Recreation Department City Public Works Department City/County Metropolitan Area Planning Dept . District Advisory Boards
<b>5</b>	Lack of variety in neighborhood development	Encourage development of a variety of urban and suburban neighborhood concepts with a true variety of housing options. Develop a true mixed-use urban development. Develop neighborhoods using the planning concepts for livable communities.	Wichita Independent Neighborhoods, Inc. Wichita Area Builders Association District Advisory Boards City/County Metropolitan Area Planning Dept.
	Lack of community involvement	Involve community in the new and re-development process. Develop additional active neighborhood associations. Public/Private initiative with WIN Provide incentives to community in development of new neighborhood and housing standards. Exemplify existing neighborhood plans such as Delano, McAdams and Central Park Avenue where new direction has created new neighborhood approaches	Wichita Independent Neighborhoods, Inc. City Office of Neighborhood Services District Advisory Boards
	Existing housing that is beyond repair. Speed up the process of removing un-repairable housing. Eliminate sub quality housing.	Enforce an amended and updated K.S.A. 12-1750 statute.	Community Housing Development Organizations City/County Metropolitan Area Planning Dept. City Office of Central Inspection City Public Works Department City Environmental Services Department

# **SUMMARY**

## **TOP FIVE BARRIERS – STRATEGIES**

## SUMMARY OF TOP FIVE BARRIERS IDENTIFIED BY EACH TEAM

<b>Team</b>	<b>Priority 1</b>	<b>Priority 2</b>	<b>Priority 3</b>	<b>Priority 4</b>	<b>Priority 5</b>
<b>Affordability</b>	Financing for low-income home buyers	Lack of sufficient low cost housing	Appraisal systems which discourage mixed income neighborhoods	Increasing costs of housing materials	Lack of legislation which would increase availability of affordable housing options
<b>Availability</b>	Lack of housing options for persons with mental disabilities and/or drug and alcohol addictions	Limited existing resources necessary to maximize housing options	Neighborhoods with declining housing values	Loopholes in code enforcement regulations	Lack of affordable housing for the working poor
<b>Neighborhood Stability</b>	Perception of higher than normal crime areas	Perception of inner city schools	Blight and poor curb appeal	Absentee landlords who do not maintain their property	Lack of investment in the inner core urban areas
<b>Leveraging Resources</b>	Insufficient resources to initiate substantial housing development or redevelopment projects	Limited scope of local and State incentive programs to support core area development	Limited financing options for some homebuyers	Current policy requiring special assessment financing for peripheral infrastructure in connection with infill development	Current method of allocating CDBG funds
<b>Quality</b>	Inadequate amount of staff for code enforcement	Vacant lots, neglected alleys and unsafe parking lots	Lack of open and green space, as well as park and recreation facilities within new and existing neighborhoods	Existing neighborhoods on the verge of disrepair and housing that is obsolete by 21 <sup>st</sup> Century standards	Lack of variety in neighborhood development

## Comprehensive Housing Policy – Priority 1 Barriers and Strategies

Barrier	Strategies	Players
Financing for low-income home buyers (AF)	<ol style="list-style-type: none"> <li>1. Reduce the cost of financing for low cost housing</li> <li>2. Provide education to potential homebuyers</li> <li>3. Create and maintain list of lenders who offer low cost financing</li> <li>4. Develop Limited-Equity Cooperatives to provide low cost, high density, resident controlled housing                         <ol style="list-style-type: none"> <li>a. Introduce this concept to private investors and nonprofits</li> <li>b. Pilot the concept in designated areas</li> </ol> </li> <li>5. Provide education plans and courseware for education programs directed to K through 12</li> <li>6. Educate young people on personal finance and credit issues</li> <li>7. Provide comprehensive financial literacy training for homebuyers</li> <li>8. Provide post-purchase counseling</li> <li>9. Provide education to developers on Low Income Housing Tax Credit program</li> <li>10. Developers pass savings on to eligible home buyers</li> <li>11. Continue to allow Section 8 vouchers for home purchases</li> <li>12. Develop a bonding program to raise funds for an expanded lenders pool</li> <li>13. Provide low interest rates and low costs for eligible home buyers</li> <li>14. Continue to subsidize first time home buyers with down payment and closing costs</li> <li>15. Close the affordability gap to lure workers to Wichita, &amp; to live close to jobs</li> <li>16. Offer subsidies to essential workers</li> </ol>	City Housing & Community Services Dept. Non-profit agencies City Redevelopment Authority Private Investors Federal Government USD 259, area school districts Kansas Council on Economic Education State Banking Commission Wichita Housing Authority Private lenders Urban League of the MidPlains Non-profit lenders Non-profit organizations
Lack of housing options for persons with mental disabilities and/or drug and alcohol addictions (AV)	<ol style="list-style-type: none"> <li>17. Identify housing options tied to services</li> <li>18. Convene service providers and explore options to create or expand supportive housing services to identify housing options tied to services</li> <li>19. Create or expand supportive housing services</li> </ol>	Kansas Dept. of Social & Rehabilitative Services
Perception of higher than normal crime rates in certain areas (NS)	<ol style="list-style-type: none"> <li>20. Establish crime reduction programs in neighborhoods</li> <li>21. Provide better publicity of actual crime statistics</li> <li>22. Make police more visible on the streets</li> <li>23. Involve police with more neighborhood organizations</li> <li>24. Add neighborhood watch programs</li> <li>25. Identify areas in need of repairs</li> <li>26. Target troubled areas with above baseline services</li> </ol>	City Police Department Neighborhood Associations Weed and Seed
Insufficient resources to initiate substantial housing development	<ol style="list-style-type: none"> <li>27. Investigate, evaluate and support the use of other funding mechanisms that have not been utilized to leverage current resources for housing development projects. Pursue other sources of funding for housing</li> </ol>	City Housing & Community Services Department City Law Department

or redevelopment projects (LV)	<p>development projects in order to leverage HOME funding, and to provide ongoing, reliable HOME-eligible match resources</p> <p>28. Establish a Housing Trust Fund to leverage City HOME funding (HOME-eligible match). Consider funding with local mortgage registration taxes, tax increment funds from redevelopment districts</p> <p>29. Investigate use of Tax Increment Financing (TIF)'s for the purpose of financing single-family housing development</p> <p>30. Continue to support the efforts of CHDO's to apply for additional development subsidy or homebuyer assistance funding.</p> <p>31. Support/assist CHDO's in efforts to expand borrowing (loan) capacity for housing development projects</p>	<p>City Redevelopment Authority</p> <p>City Office of Economic Development</p> <p>Non-profit agencies</p>
Inadequate amount of staff for code enforcement (QU)	<p>32. Use revenue from fines, permit fees and taxes to fund additional positions</p>	<p>City Office of Central Inspection</p> <p>City Environmental Services Department</p> <p>City Public Works Department</p> <p>Wichita City Council</p>



## Comprehensive Housing Policy – Priority 2 Barriers and Strategies

<b>Barrier</b>	<b>Strategies</b>	<b>Players</b>
Lack of sufficient low cost housing (AF)	33. Continue infill/new construction 34. Continue boarded up building program 35. Update housing needs based on income and populations (annual) 36. Provide incentives to developers for single family construction 37. Prioritize incentives for construction in designated areas 38. Encourage and support local builders to use available incentives	Wichita State University Real Estate Center City/County Metropolitan Area Planning Dept. City Housing & Community Services Dept. City Office of Economic Development Wichita Area Builders Association Community Housing Development Organizations (CHDOs) Non-profit organizations
Limited existing resources necessary to maximize housing options (AV)	39. Explore establishment of TIF districts for residential development 40. Identify legislative changes required 41. Establish special appraisal system to encourage mixed income areas 42. Engage lending institutions in aggressive community development	City Housing & Community Services Dept. City Redevelopment Authority City Office of Economic Development Wichita City Council Kansas Legislature Sedgwick County USD 259 Local banks
Perception of inner city schools (NS)	43. Stress the positive points about area schools and develop more magnet programs	USD 259 News media
Limited scope of local and State incentive programs to support core area development (LV)	44. Continue incentive programs offered as part of Neighborhood Revitalization Program 45. Aggressively promote and market incentive programs 46. Continue to provide “one-stop” service for the waiver of permit fees and water and sewer tap/plant equity fees, when applicable, upon application for a building permit 47. Continue to support projects proposing financing with LIHTC program 48. Review City of Wichita’s Tax Credit Policy with respect to 20% market-rate unit set-aside requirement	City Housing & Community Services Department City Office of Economic Development City Office of Central Inspection Housing Advisory Board
Vacant lots, neglected alleys and unsafe parking lots (QU)	49. Encourage development on vacant lots 50. Provide alley clean up services 51. Enforce existing environmental codes	City Office of Central Inspection City Public Works Department City Environmental Services Dept.

## Comprehensive Housing Policy – Priority 3 Barriers and Strategies

Barrier	Strategies	Players
Appraisal systems discourage mixed income areas (AF)	52. Research and make recommendations to determine appropriate mix for economic success	Wichita Area Association of Realtors Economic Development Council City Office of Economic Development
Neighborhoods with declining housing values (AV)	53. Implement StopBlight initiatives to identify neighborhoods with poor conditions 54. Address poor conditions systematically by neighborhood	City Office of Central Inspection City Office of Neighborhood Services City Housing & Community Services Dept.
Limited financing options for some homebuyers (LV)	55. Encourage the development of lender programs that assist in the leveraging of HOME funding for down payments, closing costs, and first mortgage financing 56. Continually review City-funded homeownership programs to make certain they remain “lender-friendly” and easy to use 57. Continue to develop programs to make homeownership accessible to low/moderate income families 58. Consider the waiver of any loan-related fees 59. Continue participation in the Heart of Wichita Lender Pool 60. Develop a coordinated approach for credit counseling/reparation 61. Develop specific referral for credit reparation 62. Be on the alert for lender redlining	City Housing & Community Services Dept. Fannie Mae (lease-purchase) Freddie Mac (lease purchase) Kansas Housing Resources Corporation Lenders Urban League of the MidPlains Consumer Credit Counseling Services
Blight and poor curb appeal (NS)	63. Improve the appearance of properties 64. Advertise programs that provide funding for housing rehab 65. Review and create new rehab programs where necessary 66. Perform annual neighborhood clean up drives 67. Start a neighborhood painting program with volunteers painting the residences 68. Provide home repair clinics 69. Continued enforcement with stricter residential front yard ordinances 70. Continue paint and low-interest home repair loan programs 71. Provide incentives for neighborhood beautification efforts	City Housing & Community Services Dept. City Office of Central Inspection City Environmental Services Dept. Sedgwick County Private building supply companies
Lack of open and green space, as well as park and recreation facilities within new and existing neighborhoods (QU)	72. Update community comprehensive plan to increase the desired level of park and recreation space based on community input 73. Develop awareness of the value of open/green space in urban communities 74. Identify a greater percentage within the comprehensive plan	Wichita Independent Neighborhoods, Inc. City Office of Neighborhood Services City Park & Recreation Department City Public Works department City/County Metropolitan Area Planning Dept. District Advisory Boards

## Comprehensive Housing Policy – Priority 4 Barriers and Strategies

<b>Barrier</b>	<b>Strategies</b>	<b>Players</b>
Increasing costs of housing materials (AF)	75. Develop alternate housing materials and methods 76. Relocate companies which produce housing materials, to Wichita	Value Engineering
Loopholes in code enforcement regulations (AV)	77. Strengthen code enforcement	Zero Tolerance for Board Up Buildings (StopBlight)
Absentee landlords who do not maintain their property (NS)	78. Establish local contacts	Ordinance requiring out of state landlords to register and establish a local agent
Current policy requiring special assessment financing for peripheral infrastructure in connection with infill development (LV)	79. Modify policies regarding special assessment financing to favor infill area development 80. Provide alternate source of financing for peripheral infrastructure requirements/needs for infill housing projects	City Housing & Community Services Dept. Wichita Areas Builders Association
Existing neighborhoods on the verge of disrepair and housing that is obsolete by 21 <sup>st</sup> century standards (QU)	81. Adopt National Bungalow Initiative policies 82. Develop a redevelopment initiative 83. Develop guidelines and development standards to convert old housing stock to 21 <sup>st</sup> century living configurations 84. Provide development subsidies	City/County Metropolitan Area Planning Dept. City Redevelopment Authority

## Comprehensive Housing Policy – Priority 5 Barriers and Strategies

<b>Barrier</b>	<b>Strategies</b>	<b>Players</b>
Lack of legislation which would increase availability of affordable housing options (AF)	85. Create new affordable housing opportunities 86. Research legislative means to increase affordable housing 87. Create a Community Land Trust	City Redevelopment Authority
Lack of affordable housing for the working poor (AV)	88. Create more housing which is affordable for very low income persons through current Federal programs 89. Explore new funding sources for housing development 90. Explore the feasibility of establishing residential TIFs 91. Explore IRB financing 92. Provide job training and placement with living wages 93. Develop partnerships with employers 94. Create incentives for developers to train the very low income	City Housing & Community Services Dept. City Redevelopment Authority Kansas Dept. of Social & Rehabilitative Services Career Development Center
Lack of investment in the inner core urban areas (NS)	95. Create a sense of place that attracts people 96. Develop area and neighborhood plans to discover where public and private investments are needed	City/County Metropolitan Area Planning Dept.
Current method of allocating CDBG funds (LV)	97. Increase CDBG allocation for housing programs 98. Serve over-income families by funding 'spot blight' projects 99. Utilize CDBG funding for infrastructure needs in connection with substantial redevelopment projects	City Housing & Community Services Dept. Wichita City Council
Lack of variety in neighborhood development (QU)	100. Encourage development of a variety of urban and suburban neighborhood concepts with a true variety of housing options 101. Develop a mixed-use urban development 102. Develop neighborhoods using the planning concepts for livable communities	Wichita Independent Neighborhoods, Inc. Wichita Area Builders Association District Advisory Boards City/County Metropolitan Area Planning Dept.

# **APPENDIX**

## PROGRAM INVENTORY

### Programs funded with Community Development Block Grant (CDBG) funds

- **Emergency Repair** provides up to \$5,000 in financial assistance to resolve an emergency health or safety condition in owner-occupied homes, where household income is 50% or less of the Area Median Family Income (AMFI). The assistance comes in the form of a 0% interest loan, payable upon transfer of ownership of the property and forgivable after five years.
- **Direct Loan** provides up to \$35,000 in financial assistance to completely rehabilitate an owner-occupied house, and bring it into compliance with the Minimum Housing Code. Zero percent loans are available to households with incomes of 50% or less of the AMFI; loans to households from 51- 80% of AMFI are at 4%.
- **Home Improvement Loan Program** provides funds to reduce the interest rate on home improvement loans to 2%, for owner-occupants of housing located within the Redevelopment Incentive Area. Household income cannot exceed 80% of the AMFI, and the homeowner must meet bank lending criteria, including having enough equity in the property for collateral.
- **Historic Loan Deferred Loan** provides zero percent interest deferred loans to income eligible owner-occupants of structures that have some historic value or are located within a historic district. Maximum amount of assistance is \$5,000.
- **Historic Revolving Loan** provides loans at four points below the current prime lending rate to eligible owners of a historic structure (residential or contributing).
- **Paint Grant** provides up to \$150 for exterior paint to eligible homeowners. Elderly owner-occupants may also receive a paint labor grant to apply the paint to the structure.
- **Rental Rehab Loan** provides 4% loans to eligible investment-owners to completely rehabilitate rental properties located within the Local Investment Areas (LIAs). Properties must be residential containing no more than seven units and the tenant's household income cannot exceed eighty percent of median.
- **Clean-Up Program** provides the funding to remove trash, junk cars, dead trees, brushes, tires, bulky waste, mow weeds and clean up vacant lots in neighborhoods located in the Local Investment Areas (LIAs).
- **Voluntary Demolition** provides self-amortizing loan to eligible owner-occupants to remove detached, vacant buildings that are creating a blighting influence within the Local Investment Areas (LIAs).
- **Exterior Improvement Grant** provides funds for exterior improvement on owner-occupied property and 0% loans for investor-owners for correcting exterior deficiencies of properties that have front, or side yard frontage on the streets identified for program participation within the Local Investment Areas (LIAs).

## Programs funded with HOME funds

- **Deferred Loan** provides financial assistance to completely rehabilitate an owner-occupied house located within the Local Investment Area (LIA). The assistance comes in the form of a zero percent interest loan, payable upon transfer of ownership of the improved property. The maximum amount of assistance is \$35,000 or the amount required to bring the property into compliance with the Minimum Housing Code, whichever is less. Eligible household income must not exceed fifty percent of median income for applicable family size.
- **New Construction Infill Housing** works in partnership with local lenders, builders, realtors, and title companies, to provide affordable new homes to low-income families. The program provides zero interest-deferred loans to assist with down payment and closing costs.
- **Homeownership 80** provides assistance to low-income families in purchasing their first home. The assistance comes in the form of deferred loans to help with down payment, closing costs, and in some cases minor home repair.

## ASSISTED HOUSING PROGRAMS

**Designated Housing** helps non-elderly and disabled individuals within Public Housing or a disabled applicant on waiting list with accessible housing vouchers.

**Family Self-Sufficiency** assists Section 8 families achieve goals that will lead to economic independence and self-sufficiency.

**Family Unification** provides housing for Section 8 families that have been separated because of domestic violence, spousal abuse, child abuse or abandonment,

**HOPWA (Housing Opportunities for Person With AIDS)** makes grants to local communities and nonprofit organizations for projects that benefit low income persons medically diagnosed with HIV/AIDS and their families.

**Mainstream** assists Section 8 clients who are disabled non-elderly head-of-household and/or spouses with assisted housing.

**Public Housing** provides City owned rental properties to house low and moderate-income families with rent based upon 30% of their household adjusted gross income.

**Section 8** provides low to moderate-income families with rental assistance based upon 30% of their household adjusted gross income.

**Section 8 Homeownership** allows Section 8 families to use their vouchers to assist with monthly mortgage payment. The program is limited to first-time homeowners.

**Shelter Plus Care** provides housing for hard-to-house homeless families who are Chronic Substance Abusers, Mentally Ill, or have AIDS.

## RESOURCE INVENTORY

### **Government Programs**

Community Development Block Grant (CDBG) – a HUD entitlement that provides funding to benefit low- and moderate-income families thru construction, housing, public services and economic development. The City of Wichita receives approximately 3.3 million per year.

Emergency Shelter Grant (HUD) – provides homeless persons with basic shelter and essential supportive services. It can assist with the operational costs of a shelter facility and administration of the grant.

Fannie Mae – provides financial products and services that make it possible for low-, moderate-, and middle-income families to buy homes of their own.

Federal Home Loan Bank (AHP) – funds non-profit/for profit developers and local governments, through local financial institutions to provide homebuyer assistance or other financing for affordable housing projects.

Federal Housing Administration (FHA) – offers loan guarantees for home mortgages and requires only 3 to 5 percent as down payment.

Freddie Mac – a stockholder-owned corporation chartered by Congress in 1970 to keep money flowing to mortgage lenders in support of homeownership and rental housing.

Historic Tax Credits – Federal/State programs that provide tax credits for the renovation of historic buildings, sometimes in connection with affordable housing projects.

HOME Investment Partnerships Program – a HUD entitlement for the purpose of purchasing, rehabilitating or constructing affordable housing to benefit low- and moderate-income families. The City of Wichita receives approximately \$1.8M per year.

Homestead Rebate Program - a rebate program for the property taxes paid by homeowners and renters, based on a portion of the property tax paid on a Kansas resident's homestead. The rebate is available for homeowners or renters, who earn less than \$27,000 annually, and who meet other criteria.

Industrial Revenue Bonds – finance acquisition and construction of a variety of industrial, commercial and industrial properties on behalf of private businesses or non-profit agencies. The economic benefits include property tax abatement, sales tax exemption and the income earned on IRBs for low-income multifamily housing projects and single-family mortgages are exempt from federal and state income taxes.



Kansas State Housing Trust Fund – assists homeownership, rental housing, and housing with supportive services developments with financing for primarily low-and moderate-income families and persons with disabilities.

Low Income Housing Tax Credits (LIHTC) – HUD program involving the allocation of tax credits to states for the purpose of financing affordable housing projects. The LIHTC is the most important resource for creating affordable housing in the U.S. today.

Metropolitan Community Capacity Building Grant: State of Kansas – Department of Commerce – financial assistance to develop neighborhoods and economic development

Mortgage Revenue Bonds – tax exempt bonds issued by state and local governments. Funds raised by the sale of the bonds are used to finance home mortgages. Revenue from mortgage payments is used to repay the bonds.

Neighborhood Revitalization Program – provides incentives (permit and fee waivers), homeownership program assistance and tax rebates to encourage investment in revitalization areas.

Public Housing – provides city owned rental properties to house low to moderate-income families with rents based upon 30% of their household adjusted gross income.

Section 8 Vouchers (City & County) – provides low to moderate-income families with rental assistance based on 30% of their household adjusted gross income.

Sedgwick County – Department on Aging rehab program for emergency assistance

Tax Increment Financing (TIF) – is a method of facilitating development or redevelopment of defined areas of property (“TIF District”) by utilizing future tax revenues to pay for some of the necessary improvements. Local officials can designate a TIF district for improvement and then earmark any future growth in property tax revenues in that district to pay for predetermined development expenditures in that district.

U.S. Department of Veterans Affairs (VA) – offers loan guarantees for home mortgages qualified military veterans, who can borrow up to \$203,000 with no down payment required.

## Mortgage Lenders

Note: All area mortgage lenders are listed, however narratives are provided only for those which have published programs for special, affordable housing mortgage products. This data is current as of August, 2005.

Allied Home Mortgage Capital

American Financial Mortgage

American General Finance Inc

Apple Financial

Andover State Bank

Bank of America

- Neighborhood Advantage Zero Down – no-down payment mortgages for people with good credit who meet low-income requirements or who are purchasing a property in a low-income census tract.
- Neighborhood Advantage Credit Flex – mortgage with flexible credit guidelines for people with low-to-moderate income or who are purchasing property in a low-income census tract and can afford a small down payment.
- Neighborhood Champions – specialized mortgages designed to make home ownership more affordable for teachers, police officers, firefighters and medical workers.

Bank Haven

Beneficial Mortgage Co

Boeing Wichita Credit Union

Brookhollow Associates

Capitol Federal Savings

- Home-At-Last Loan 97% - specially designed to meet the needs of low-to-moderate income homebuyers.
- Home Improvement Loans – provides rehabilitation loans to eligible homeowners.
- Purchase + Improvement Loans – allows you to buy a home that needs repairs and include the cost of improvement in one mortgage loan.

Centex Homes

Central Mortgage Center

Challenge Mortgage

Chase Manhattan Mortgage

CIB Wholesale

CITI Financial

Citywide Mortgage Assoc., Inc.

CMC Mortgage

Commerce Bank NA Wichita

#### Commercial Federal Bank

- MyCommunityMortgage Suite (Fannie Mae) – loans offered to homebuyers with low and moderate incomes. Includes: Community 97 – requires a minimum down payment of just 1 percent or \$500, whichever is less, from your own funds. Remaining 3 percent can come from other sources; Community 100 – with good credit and if you have little cash saved for a down payment, all of your minimum contribution towards the mortgage, or 3 percent, come from a variety of flexible sources; Community 100 Plus – with limited cash resources, only 1 percent of \$500, whichever is less, required from your own funds for down payment and/or closing costs.

#### Community Bank

##### Community Housing Services (Neighbor Works – \$5 million for affordable housing programs)

- Heart of Wichita Housing Fund (Heart of Wichita Lenders Program) – Homebuyer program for maximum price of \$85,700 for family owner occupied principal residences. Income guidelines 80% of median income, down payment 20%. First time homebuyers are eligible for the City of Wichita's HOMEownership 80 program for down payment, closing costs and rehabilitation financing. The fund amount is \$1.1 million.
- Home Mortgage Program – varies but is generally more competitive than conventional mortgages; 15 and 30 year fixed rate conventional mortgages. Income limits up to 115% of median income and down payment options of 3% to 5% down if certain requirements are met. Buyers must complete a homebuyer education class.

#### Conway Bank

#### Credit Union of America – West Branch

#### Design Financial Group

#### Emprise Bank

#### Executive Mortgage

#### Fidelity Bank

- Affordable Housing Loans – provides loans for those with low to moderate incomes.
- Fannie Mae's Community Home Buyer's Program – provides loans to those with good credit, but who do not meet other criteria to qualify for a traditional mortgage loan.
- 3/2 Option – A 5 percent down payment is usually required to purchase a home; however, this option allows borrowers to put down only a 3 percent down payment, while a relative, government agency or nonprofit organization puts down the other 2 percent.
- Fannie 97 – Provides loans to those with enough income to pay a monthly mortgage payment, but not enough money to make the initial down payment.

#### Financial Benefits

#### First Equity

#### First Horizon Home Loans

#### First Resource Lending

#### First State Bank & Trust

#### Garden Plain State Bank

#### Gulfstream Financial

#### Hale Mortgage

Hampel Paul Mortgage Broker  
Hearthside Lending  
Home Bank & Trust

Home Investors  
Intrust Bank  
Kansas Mortgage Center  
Kansas Real Estate Development  
Kanza Bank

- Fannie Mae Teachers Program - provides maximum financing for full-time state certified teachers and administrators. Maximum loan 100% of \$333,700; buyer must contribute the lesser of 1% or \$500 for closing costs; 15-30 year terms available; maximum 97% of \$333,700; Teacher 2 – family maximum loan 95% on up to \$427,150.
- Fannie Mae's "Flexible 100" Program – loan to value 100%; no minimum credit score or qualifying ratio requirements; no maximum income limits; no homebuyer education requirement; only \$500 of the borrowers own funds or 3% of the sales price or appraised value.

Lacy Bud  
Lend One  
Legacy Bank  
Lone Star Mortgage  
McAfee Mortgage  
Mid American Credit Union  
Midwest Mortgage  
Morrison Capital Corporation  
Mortgage Alliance  
Mortgage Approval Center  
Mortgage Center  
Mortgage Mart  
Mortgage Network  
Mortgage Pros  
Mortgage Solutions  
Penicle Mortgage  
Phoenix Mortgage Group  
Pinnacle Mortgage  
Pioneer Bank & Trust

- Sedgwick County Kansas Family Mortgage Revenue Bonds – First time home buyers program, County assists with up to 4 percent toward closing and down payment costs. FHA based.
- Provide 100% and 103% loans to qualified borrowers. Based on credit ratings; 720 credit rating required 103%.

Prairie State Bank – Wichita  
Priority Mortgage Corporation  
Pulte Mortgage, LLC  
Regent Financial Group  
Rose Hill Bank  
Scott's Mortgage  
Security Savings Bank  
SNB Bank of Wichita  
Southwest Investment Properties  
Stillwater National Bank  
Sunflower Bank  
Teachers Credit Union  
Total Mortgage  
Wells Fargo Home Mortgage

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